



MCI Communications
Corporation
1801 Pennsylvania Ave., NW
Washington, DC 20006
202 887 2731

Michael Hydock
Sr. Staff Member
Regulatory Affairs

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SEP 20 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 20, 1993

Mr. William Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street, NW
Washington, D.C. 20554

Re: In the Matter of: Local Exchange Carriers' Rates,
Terms, and Conditions for Expanded Interconnection for
Special Access, CC Docket No. 93-162

Dear Mr. Caton,

Enclosed herewith for filing are the original and seven (7) copies of MCI Telecommunications Corporation's Opposition to Direct Cases in the above captioned matter. Please acknowledge receipt by affixing an appropriate notation on the copy of the MCI Petition furnished for such purpose and remit same to the bearer.

Yours truly,

Michael F. Hydock
Senior Staff Member
Federal Regulatory Analysis

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SEP 20 1993

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Local Exchange Carriers' Rates, Terms,
and Conditions for Expanded Interconnection
for Special Access

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) CC Docket No. 93-162
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Opposition to Direct Cases

MCI TELECOMMUNICATIONS CORPORATION
1801 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006

September 20, 1993

No. of Copies rec'd
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SUMMARY

The Commission must take careful measure of the arguments in the instant Direct Cases justifying the LEC EIS rates. These rates, terms, and structures will be used, not only for special access interconnection, but will also be the primary basis for switched interconnection. As such, the Commission should examine these Direct Cases with a great deal of scrutiny, realizing that there are great incentives for the LECs to price discriminate for EIS service. As shown above, the rates contained in many of the LEC filings are abnormally high, contain unnecessary tie-in elements, and contain speculative costs for floor space. Only by prudent analysis and findings can the Commission be sure that CAPs will not be disadvantaged at the starting gate.

A review of these direct cases and underlying rates will be difficult at best. Since the Commission has allowed the LECs to structure and price Expanded Interconnection Service (EIS) using a multitude of patterns, it is a very complex process to verify the cost-justifications for the underlying rates.

MCI, in limited comments, suggests the Commission rely upon its policy of promoting the emergence of competition within the local exchange marketplace by holding strict standards for its tariff review. EIS service is in direct competition with other LEC services, and the incentive for the LECs to practice price discrimination is enormous. MCI shows below the Commission must pay careful attention to LEC charges for floor space, power charges, and the interconnect charge. Furthermore, the Commission should prevent LECs from artificially hampering CAP competition by requiring use of largely unnecessary auxiliary equipment, such as repeaters.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of:

**Local Exchange Carriers' Rates, Terms,
and Conditions for Expanded Interconnection
for Special Access**

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)
)
)
) **CC Docket No. 93-162**
)
)

Opposition to Direct Cases

On July 23, 1993 the Commission released an order designating numerous issues for investigation regarding the Local Exchange Carriers' (LEC) tariffs for special access expanded interconnection services (EIS).¹ In that Order the Commission set forth for investigation a lengthy list of issues that cover much of the underlying substance of the LEC EIS tariffs. At the same time the Commission suspended rates, and instructed most LECs to reduce rates for several components of their EIS tariffs. LECs were required to file Direct Cases addressing rate levels, rate structure, and various terms and conditions within their EIS tariffs. Moreover, the Commission ordered the LECs to file in a standard format tariff review plan (TRP) cost material justifying their rate levels.

¹In the Matter of Local Exchange Carriers' Rates, Terms, and conditions for Expanded Interconnection for Special Access, CC Docket No. 93-162, Order Designating Issues for Investigation (Order), released July 23, 1993.

On August 20, 1993 all Tier 1 LECs excluding Puerto Rico Telephone Co. filed Direct Cases responding to the Commission's Order.

The Commission faces a daunting task in this proceeding. Based upon the initial tariff filings of February 1993 and the information contained within the Direct Cases, it is apparent that the lack of uniformity on rate structure, rate development methodology, and other tariff issues has muddled the process of determining reasonable rates for collocation. In its original order on EIS, the Commission concluded that the development of new interconnection rate elements was preferable over the disaggregation of the existing channel termination rate element for DS1 and DS3 services.² Furthermore, the Commission declined to impose a standardized rate structure on the LECs, contending that granting such flexibility would allow LECs to tailor their rate structures to match their offerings for EIS. However, what started as a quasi-Open Network Architecture (ONA) unbundled approach to rate structure has been transformed to a morass of widely differing recurring and non-recurring rates and underlying costs that make the analysis of the proposed EIS rates difficult at best.

Another unsettling comparison with ONA is the fact that just like ONA, the LECs are tariffing rate elements that compete with their own retail offerings. The potential for price discrimination is readily apparent. Through the development of different rate structures and underlying costs, the LECs have been able to detour the progress towards any significant level of local exchange competition. While on the one hand the LECs

²In the Matter of Expanded Interconnection with local Telephone Company Facilities, CC Docket No. 91-141, Report and Order and Notice of Proposed Rulemaking, (EIS Order), released October 19, 1992, ¶ 116-121.

appear ready, willing, and able to jump into the interexchange (IXC) marketplace, they have been eagerly flexing their monopoly powers in the EIS arena to hamper any competition. The LECs have every incentive to use their control over the local switching arena to thwart the ability of the Competitive Access Providers (CAPs) to compete effectively, and through their EIS tariffs have attempted to handicap the competition at the start.

In hindsight, it is quite clear that more structure should have been imposed upon the LEC EIS tariff offerings, given the obvious incentives for the LECs to impair the emerging competitors. Allowing LECs virtually unlimited ability to devise "required" rate elements for interconnectors who are also their potential competitors has all the aspects of the fox guarding the chicken coop. To consider EIS as somehow different from access charges in general can now be seen as a mistaken notion. Despite its shortcomings, the definitional quality that Part 69 rules imposes upon access elements has provided a fairly stable environment in the business between IXCs and the monopoly LECs. Absent such a structure, which defines the method by which IXCs interconnect with the local exchange network, it is quite clear that the LECs will have the ability to avail themselves of countless pricing abuses.

Whether the Commission ordered unbundling of the special access channel termination component, or the ultimately ordered new elements for EIS interconnection, an overall structure of charges and component building blocks would be necessary for an orderly process. It would appear that there are certain, identifiable network elements and services required to interconnect with a LEC switch. Obviously LECs in their

interoffice network have standard methods of interconnection. Moreover, IXC's have had standard interconnect arrangements with the LECs for special access for many years. Once the required components for interconnect are identified, a tariff structure could be constructed around these elements.

Within this proceeding there are ample examples of the dangers of leaving this determination of the "required" elements solely up to the LECs. The LEC has every incentive to maximize the number and type of these components, and to extract as much as possible from the ratemaking process. Bell Atlantic, for example, posits that repeaters are required for EIS service. MCI finds this curious since currently few, if any of its interconnections with Bell Atlantic require repeaters presently. Some LECs take the stance that point of termination bays are required, yet Ameritech claims that it is not necessary.

THE DIRECT CASES IN GENERAL

The LECs, as expected, contend that the rates, terms and conditions in the EIS tariffs are totally reasonable, if not downright generous. In sheer volume the direct cases are sizable, yet underneath it all the Commission will doubtlessly have difficulty separating the wheat from the chaff. In fact, given the degree of dissimilarity within the rate structures, it is virtually impossible to compare rates among the LECs at anything less than the most aggregated levels. For example, for recurring rate elements, only floor space charges, DC Power, and cross-connects are comparable for the Tier 1 LECs. Beyond that there are a plethora of differences between LECs, depending on what is

classified as recurring or non-recurring costs, what is bundled into a space preparation charge and what is a distinct charge.

LEC PRICE OUTS

Because of this dissimilarity, the tariff review plan data cannot be easily utilized for comparisons across LECs in order to assess the reasonableness of the charges. The price outs of 100 DS1s that were requested of all the LECs is one of the few common denominators for comparisons. An examination of these price outs demonstrate that the variability of EIS rates is even more dramatic than the variability of DS1 channel termination rates. This is quizzical since the central office portion of the channel termination rate element, which EIS attempts to replicate, should have less variability across LECs than the total channel termination element which includes the transmission element as well.³

MCI has prepared Exhibit 1 which compares the EIS tariffed rates (RAF'ed per the Commission's Order) with the existing month to month rates for DS1s.⁴ As expected from the tariffed EIS rates, the actual price outs show an inordinate degree of range for the EIS service. EIS, as a percent of the existing DS1 channel termination rate ranges from 12.1 percent for NYNEX, to 38.2 percent for US WEST. While there does

³While the central office costs of a DS1 channel termination should be less variable across LECs, the transmission portion of the charge could vary across LECs. Different topology, traffic density, central office and serving wire center coverage, and other factors external to the central office could yield different costs. However, the central office portion would not be affected by these differences.

⁴For this analysis, MCI amortized the nonrecurring charges for the 100 DS1 channel terminations over the same five year period, at the same discount rate, as the LECs were required to do for their nonrecurring EIS charges.

appear to be a clustering of LECs in the 15 to 19 percent level, the outliers are quite dramatic.

A closer examination of these relationships is even more telling. Given that EIS is the central office-specific portion of the special access channel termination, the costs of EIS should be in some loose relationship to the costs of a DS1 channel termination charge. Carriers with relatively high DS1 rates that reflect relatively high costs should have corresponding relationships for EIS service. The chart at the bottom of Exhibit 1 demonstrates that this is not the case, casting questions on the EIS rates. In each case MCI has created an index of DS1 and EIS rates for each LEC, with the low rate for each LEC serving as the basis for the index. If a carrier has the same relative rate for DS1 and EIS as compared with other LECs' DS1 and EIS rates, then the bars of the chart for that LEC would be equal. If, however, the LEC rate ranking for DS1 was different than its rate ranking for EIS, the bars for that LEC would diverge.

The data clearly suggests that BellSouth, Pacific Bell and US WEST have much higher rate rankings for EIS service than for DS1 service. Likewise it appears that NYNEX and Southwestern Bell's EIS ranking is lower than its DS1 ranking. The Commission should pay special attention to the aforementioned carriers high rates and seek complete justification as to why their EIS rates are significantly higher than their DS1 ranked rates.

Exhibit 1, while illustrating the relationship between a EIS price out of 100 DS1s and the existing month to month DS1 channel termination prices, fails to illustrate the extreme importance of scale economies in the filed EIS structures. Within the filed rates

and price outs, the LECs will have an enormous advantage over the CAPs because of the large amount of fixed costs in the rates. While the existing EIS rates as a percentage of the DS1 channel termination rates fall in the range of 14 to 38 percent, if one compares the price out to the DS1-equivalent rate for a five-year term DS3, the resulting comparison is much more troublesome. Taking Bell Atlantic as an example, the per DS1 cost for a channel termination from a five-year term DS3 is \$56.82.⁵ The price out for 100 DS1s with the EIS rate is \$35.82, or 63 percent of the entire DS1-equivalent channel termination. Clearly this ratio will drop if CAPs can avail themselves of large quantities of business. In the interim, however, it appears the existing rates and rate structure for EIS will severely disadvantage the CAPs.

RATE COMPARISONS

As discussed earlier, the variability of structure and elements in the LEC EIS rates makes determination of reasonableness difficult at best, and casts doubt on the relationships with underlying costs. MCI has examined the few common elements across LECs and compiled these results in Exhibit 2. Within that table are the recurring rates for central office space, DC power (converted to a per DS1 basis based on the LEC price out assumptions), and the DS1 cross-connect rate element. These are the few rate elements that are offered by all the LECs, and reflect functionally comparable cost elements. Even these simple elements can be distorted, and preclude any realistic regulatory oversight of the rate/cost relationship. For example, Ameritech bundles cabling investment into floor space rates.

⁵The five-year DS3 channel termination rate is \$1,550 per month. The non-recurring charges of \$1,800 were amortized over the five year term.

The rates, for elements that are relatively similar across LECs, are astoundingly different. Central office space rates vary from \$1.57 per square foot to \$8.15 per square foot. Power rates range widely from \$0.20 to \$8.88, while the DS1 cross connect element ranges from \$3.40 to \$21.63. Standard deviations of the rate elements are all in excess of 46 percent of the relevant means, indicating wide dispersion in the rates. It seems completely doubtful that the underlying costs have generated these level of extremes.

SPECIFIC COST AND RATE CATEGORIES

In this section MCI will briefly address certain cost and rate categories that are troublesome. These include floor space, the cost of money, and repeaters.

FLOOR SPACE

The LECs have used a variety of mechanisms to determine the costs of central office floor space to be used to determine the rate for that element of EIS. While NYNEX and BellSouth use book value, Bell Atlantic, U S WEST, and Southwestern Bell use market valuation. Pacific Bell has used current appraised value, GTE used a replacement cost methodology, and Ameritech used the Means data to approximate current cost.

Since EIS is designed to be an unbundling of the special access channel termination element, and EIS is a service that competes with the LEC retail offering, the only method that will prevent price discrimination would be to mandate the use of net book value. The methodology for determining floor space should be identical to the

method used to allocate and cost land and building investment for the existing DS1 and DS3 channel termination rates. Failure to do so would place EIS at a disadvantage to other LEC services.

Evidence from Shared Network Facility Arrangements (SNFAs) appears to indicate that some of the LEC rates for floor space are quite excessive. SNFAs were arrangements by which Regional Bell Operating Companies (RBOCs) leased land, building, and other investments to AT&T. Such agreements are worthwhile to examine since the transactions are not tainted by the LEC/CAP competitive issue. In Attachment 1, MCI presents a land and building SNFA from South Central Bell that carries an effective rate of \$1.49 per square foot in 1985. Even allowing for inflation (to the extent that any accounting for inflation for net book purposes is appropriate), this rate is a fraction of what has been proposed by many of the LECs for EIS floor space. Attachment 2, for Southern Bell, contains another land and building SNFA that carried a rate of \$1.30 per square foot in 1984. Finally, Attachment 3's SNFA contains a rate of \$0.86 per square foot for South Central Bell. Clearly the Commission must order LECs to use net book costs for space charges, not speculative estimates of market value.

COST OF MONEY

Certain LECs have attempted to recovery funds in excess of the 11.25 interstate rate of return. Given that there is effectively no risk in the provisioning of EIS, since the LECs have a total monopoly over local switching, there is absolutely no need for returns in excess of 11.25 percent. Despite this fact, Bell Atlantic, without any rationale whatsoever, claims that its cost of money is in the range of 13.75 percent to 15.05

percent for many of the rate elements of EIS.⁶ Bell Atlantic alludes to the fact that its "prospective cost of capital" ranges from 12.8 percent to 13 percent, yet does not even attempt to rationalize this claim with the existing 11.25 percent authorized rate of return for interstate monopoly access services. EIS is a monopoly service, and clearly does not justify recovery in excess of 11.25 percent at the initial rates. Likewise, Cincinnati Bell proposes to recover 13.4 percent on its EIS services.⁷ Cincinnati Bell does not attempt to justify this return element. US WEST also appears to have represeted unilaterally its interstate rate of return to 11.5 percent from 11.25 percent.⁸ Such an increase is not supportable in the current context, and is clearly outside the scope of this proceeding.

BELL ATLANTIC'S REQUIRED USE OF REPEATERS IS UNJUSTIFIED

Bell Atlantic stands alone as the only LEC that requires repeaters for EIS. There is no operational reason for this, as countless existing network interconnections exist without repeaters and regenerators. This is the most glaring example of a LEC attempting to tie in unnecessary equipment to disadvantage the lilliputian competition they face. The Commission should require Bell Atlantic to make this item optional, like the other LECs offering EIS, remove it from its cost and rate calculation, and file the corresponding corrected rates.

⁶Bell Atlantic TRP.

⁷Cincinnati Bell TRP.

⁸US WEST Direct Case, Appendix C.

CONCLUSIONS

The Commission must take careful measure of the arguments in the instant Direct Cases justifying the LEC EIS rates. These rates, terms, and structures will be used, not only for special access interconnection, but will also be the primary basis for switched interconnection. As such, the Commission should examine these Direct Cases with a great deal of scrutiny, realizing that there are great incentives for the LECs to price discriminate for EIS service. As shown above, the rates contained in many of the LEC filings are abnormally high, contain unnecessary tie-in elements, and contain speculative costs for floor space. Only by prudent analysis and findings can the Commission be sure that CAPs will not be disadvantaged at the starting gate.

Respectfully submitted,

MCI TELECOMMUNICATIONS
CORPORATION



Michael F. Hydock
Senior Staff Member
1801 Pennsylvania Ave. NW
Washington, DC 20006
(202) 887-2731

Dated: September 20, 1993

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information, and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on September 20, 1993.

A handwritten signature in black ink, reading "Michael F. Hydock". The signature is written in a cursive style with a horizontal line underneath it.

Michael F. Hydock
Senior Staff Member
1801 Pennsylvania Ave. NW
Washington, D.C. 20006
(202) 887-2731

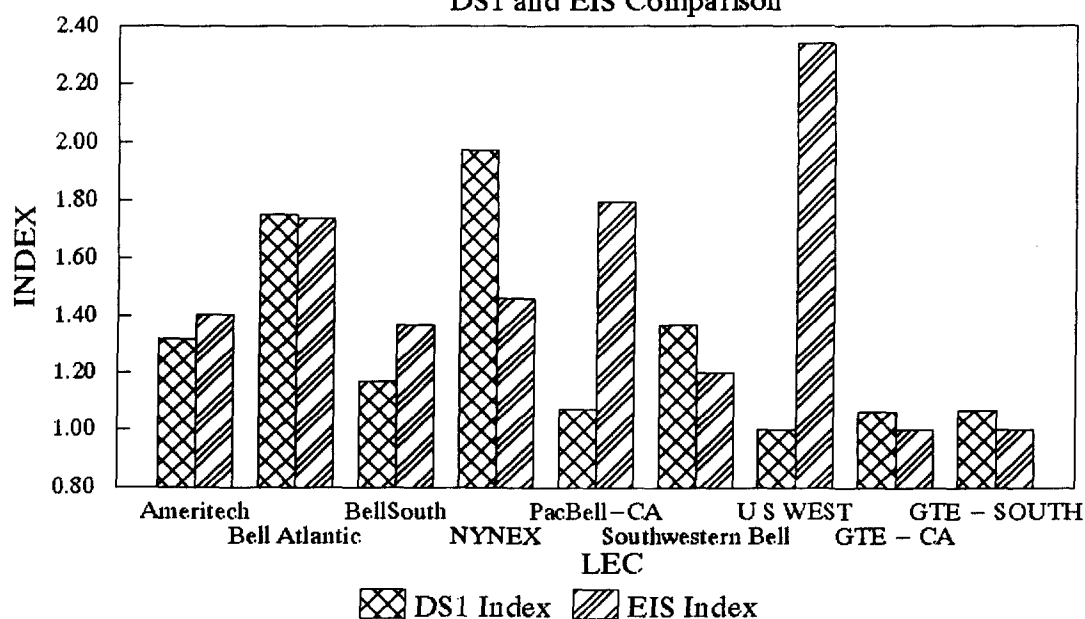
MCI EXHIBIT 1, CC DOCKET NO. 93-162

LEC	Channel Term Cost per DS 1	EIS RAF'ed TRP Cost MODEL OFFICE	EIS as Percent of Channel Term.
Ameritech	\$166.50	\$28.95	17.4%
Bell Atlantic	\$220.79	\$35.82	16.2%
BellSouth	\$147.73	\$28.27	19.1%
NYNEX	\$248.58	\$30.16	12.1%
PacBell-CA	\$135.30	\$36.98	27.3%
Southwestern Bell	\$172.51	\$24.77	14.4%
U S WEST	\$126.05	\$48.21	38.2%
GTE - CA	\$134.31	\$20.62	15.4%
GTE - SOUTH	\$134.66	\$20.62	15.3%

Note: Existing channel termination based on 100 DS1s, with nonrecurring charges amortized over five years. TRP cost from price outs in Tariff Review Plans, using RAF'ed rate.

MCI Chart 1, CC Docket No. 93-162

DS1 and EIS Comparison



MCI EXHIBIT 2, CC DOCKET NO. 93-162
ANALYSIS OF SELECTED RECURRING CHARGE ELEMENTS
DATA FROM PRICE OUTS, "RAF'ed" DATA

LEC	FLOOR SPACE PER SQ. FT.	48v DC POWER PER DS1	DS1 CROSS CONNECT
Ameritech	\$7.79	\$1.20	\$13.97
Bell Atlantic	\$2.05	\$2.54	\$13.02
BellSouth	\$4.94	\$1.88	\$8.57
NYNEX	\$3.21	\$1.17	\$6.16
PacBell-CA	\$8.15	\$2.96	\$7.73
Southwestern Bell	\$1.57	\$4.67	\$4.90
U S WEST	\$6.29	\$0.20	\$21.63
GTE- LAWRENCVILLE	\$3.68	\$7.57	\$3.40
SNET	\$6.25	\$8.88	\$7.75
CINCINNATI BELL - GROUP 2	\$7.07	\$3.63	\$11.08
MINIMUM	\$1.57	\$0.20	\$3.40
MAXIMUM	\$8.15	\$8.88	\$21.63
AVERAGE	\$5.10	\$3.47	\$9.82
STD. DEVIATION	\$2.37	\$2.83	\$5.35

ATTACHMENT 1

DATE: 01/17/85

INTERCOMPANY CONTRACT ADMINISTRATION CENTER

SOUTH CENTRAL BELL

CONTRACT SCHEDULE INFORMATION

SCHED ID

63025

CATEGORY

TYPE

LOCATION A

LOCATION Z

JURISDICTION

OWNER

NONOWNER

EFFECTIVE DATE

EXPIRATION DATE

RENEWAL REQUEST DATE

FORECAST RENEGOTIATION DATE

EARLY TERMINATE DATE

WORKSHEET 2 & 3 INCLUDED

ESTIMATED CONTRACTED INVESTMENT

ESTIMATED CONTRACTED RATIO

ESTIMATED 1985 ANNUAL BILLING

LB

LDBDG

LFYTLAMA

LA

SC

ATSO

01/01/84

01/01/94

N

\$882,803.08

.147000000

\$219,461.57

OWNER

NONOWNER

RECOMMENDED:

TITLE:

DATE:

CONCURRED:

TITLE:

DATE:

RECOMMENDED:

TITLE:

DATE:

CONCURRED:

TITLE:

DATE:

THE INFORMATION CONTAINED IN THIS DOCUMENT IS PROPRIETARY
AND SUBJECT TO THE PROVISIONS SET FORTH IN SECTION 1A.19
OF THE SHARED NETWORK FACILITIES AGREEMENT

BSC
10263

S) This Term From 1/1/84 TO 12/31/93
Notice Date For Renewal Period 12/31/91

T) RE-FORECAST DATE FOR EACH YEAR N/A

U) ULTIMATE CAPACITY 111,591

Involves N/A

V) ATTACH SKETCHES, FLOOR PLANS, FORECAST WORK SHEETS AND BACK-UP DATA.
(USE CHECK LIST TO COVER ALL ITEMS)

OWNER

ICAC REP. NAME W.R. McAllister TITLE Staff Mgr

SIGNED [Signature] DATE 9-12-84

POPULATOR S.R. EVANS TITLE STAFF MANAGER

SIGNED SR Evans DATE 9-12-84

NON-OWNER

ICAC REP. NAME [Signature] TITLE Supervisor

SIGNED [Signature] DATE 9-12-84

POPULATOR W.D. RITCH TITLE SUPERVISOR

SIGNED W.D. Ritch DATE 9-12-84

SCHEDULE A
LAND & BUILDING

PART A)

VOID

A) OWNER SOUTH CENTRAL BELL
B) NON-OWNER ATTIX
C) LOCATION LAFAYETTE - MAIN
ADDRESS 530 S. BUCHANAN STREET
CITY LAFAYETTE STATE LOUISIANA
LATA LAFAYETTE CLLI LFYTLAMA OWNED/LEASED OWNED
D) OWNER DESIGNATION CODE K-3402
E) NON-OWNER DESIGNATION CODE N/A

PART B)

F) GROSS SQ. FT. 111,591
G) TOTAL ASSIGNABLE SQ. FT. 83,709
H) 1. Non-owner Assigned Sq. Ft. 12,307 = 272 + 12,035
 a. BOC NON-OWNER - The above sf excludes N/A
 sf for Access Service term. eqpt.
 b. ATTIX NON-OWNER - The above sf includes 272
 sf for Access Service term. eqpt.
 2. Owner Assigned Sq. Ft. 71,402
I) COMMON AREA SQ. FT. 27,882 (F - G)
J) SPARE SQ. FT. 0 (F - H1 - H2 - I)
N) RELATIVE CAPACITY RATIO .1470 (H1 + G)

PART C)

O) BUILDING INVESTMENT (212) \$ 5,852,334 AS OF 12/31/83
P) LAND INVESTMENTS (211) \$ 136,907 AS OF 12/31/83
Q) Are there any negotiated expense allocation items? NO
R) What are these items? List them and attach explanations and documenting data. N/A

BSC
10264

SCHEDULE A
LAND & BUILDING

PART A)

A) OWNER SOUTH CENTRAL BELL
B) NON-OWNER ATTIX
C) LOCATION LAFAYETTE - MAIN
ADDRESS 530 S. BUCHANAN STREET
CITY LAFAYETTE STATE LOUISIANA
LATA LAFAYETTE CLLI LPYTLAMA OWNED/LEASED OWNED
D) OWNER DESIGNATION CODE K-3402
E) NON-OWNER DESIGNATION CODE N/A

PART B)

F) GROSS SQ. FT. 111,591
G) TOTAL ASSIGNABLE SQ. FT. 83,709
H) 1. Non-owner Assigned Sq. Ft. 12251 + 279 = 12530
a. BOC NON-OWNER - The above sf excludes N/A
sf for Access Service term. eqpt.
b. ATTIX NON-OWNER - The above sf includes 279
sf for Access Service term. eqpt.
2. Owner Assigned Sq. Ft. 71,179
I) COMMON AREA SQ. FT. 27,882 (F - G)
J) SPARE SQ. FT. 0 (F - H1 - H2 - I)
N) RELATIVE CAPACITY RATIO .1497 (H1 ÷ G)

PART C)

O) BUILDING INVESTMENT (212) \$ 5,852,334 AS OF 12/31/83
P) LAND INVESTMENTS (211) \$ 136,907 AS OF 12/31/83
Q) Are there any negotiated expense allocation items? NO
R) What are these items? List them and attach explanations and documenting
data. N/A

S) This Term From 1/1/84 TO 12/31/93
Notice Date For Renewal Period 12/31/91

T) RE-FORECAST DATE FOR EACH YEAR N/A

U) ULTIMATE CAPACITY 111,591

Involves N/A

V) ATTACH SKETCHES, FLOOR PLANS, FORECAST WORK SHEETS AND BACK-UP DATA.
(USE CHECK LIST TO COVER ALL ITEMS)

OWNER

ICAC REP. NAME	<u>W.R.M. Allister</u>	TITLE	<u>Staff Mgr</u>
SIGNED	<u>[Signature]</u>	DATE	<u>5/13/85</u>
POPULATOR	<u>S. R. EVANS</u>	TITLE	<u>STAFF MANAGER</u>
SIGNED	<u>S.R. Evans</u>	DATE	<u>4/24/85</u>

NON-OWNER

ICAC REP. NAME	<u>[Signature]</u>	TITLE	<u>Supervisor</u>
SIGNED	<u>[Signature]</u>	DATE	<u>5-28-85</u>
POPULATOR	<u>W. D. RITCH</u>	TITLE	<u>SUPERVISOR</u>
SIGNED	<u>W.D. Ritch</u>	DATE	<u>5/28/85</u>

ATTACHMENT 2